



Compensation and Benefits Manual

Effective 1 January 2015



Pastor Compensation

Pastor Benefits

**Commissioned Ruling Elders
Compensation and Benefits**

Sabbatical Leave Policy

Performance Reviews for Pastors and Sessions

Leadership Review Guidelines

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P R E S B Y T E R Y
OF EAST IOWA



P R E S B Y T E R I A N C H U R C H (U . S . A .)

Compensation and Benefits Manual

Introduction to the Manual

This manual covers the policies of the Presbytery of East Iowa regarding Pastor Compensation, Pastor Benefits, Commissioned Ruling Elder (CRE) and Ruling Elders serving as Temporary Supply Pastors Compensation and Benefits, Sabbatical Leave Policy and Leadership Review Guidelines. Each policy is contained in a separate section of this manual.

The policies relate directly to the agreements and terms of call between churches, presbytery and pastors, co-pastors, pastors in yoked churches, associate pastors, interim pastors, and part-time pastors who are serving in churches of the Presbytery of East Iowa, and Ruling Elders who are commissioned to serve in specific churches in our Presbytery or Ruling Elders serving churches as Temporary Supply Pastors.

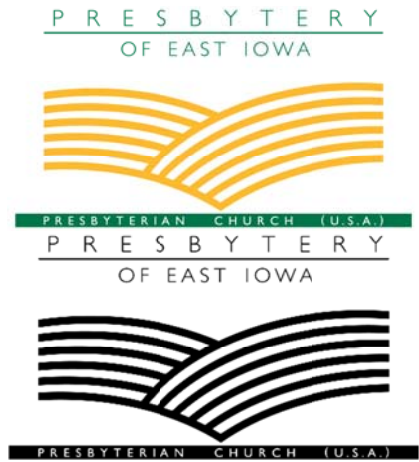


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PASTOR COMPENSATION POLICY FOR PRESBYTERY OF EAST IOWA

Adopted Effective 1 January 1999
Revised each 1 January from 2000 through 2015

Introduction

This section of the manual presents the Pastor Compensation Policy for the Presbytery of East Iowa. It is designed to be used to determine the initial compensation and subsequent adjustments to the compensation for pastors, co-pastors, pastors in yoked churches, associate pastors, interim pastors, and part-time pastors who are serving in churches of the Presbytery of East Iowa. The term pastor, as used in this section of the manual, is meant to include Teaching Elders serving in each of these designations. The term Compensation as used in this Pastor Compensation Policy is defined on page 3 of this section of the manual. The presbytery's policy regarding pastor benefits is contained in the second section of this manual.

Basic Principles of the Pastor Compensation Policy

The Presbytery of East Iowa "Compensation Handbook" was adapted from the "Presbyterian Church U.S.A. Churchwide Compensation Policy Guidelines (200th General Assembly, 1988)." The Pastor Compensation Policy is based on principles promulgated in the "Compensation Handbook."

The first two principles of compensation listed in the "Compensation Handbook" demonstrate the importance of adequate compensation to pastors and of employing an effective system to deliver the compensation equitably. These two principles are quoted below:

- (1) *Effective, competent staffing throughout the church is essential to the fulfillment of its mission, and adequate compensation is necessary to the attainment and maintenance of such staff.*
- (2) *The system of compensation should be fair to all...*

There are three additional principles enumerated in the "Compensation Handbook" that form the very basis of the Pastor Compensation Policy. The first principle is that the level of pay should be based on the content of pastoral positions. The "Compensation Handbook" expresses the principle as follows:

Compensation for a position should be based on the nature, purpose, scope and responsibility of the position; the experience, knowledge, and skill required; the challenge of the work to be done and its impact on the effectiveness with which the church achieves its mission. In a shorter set of words, the pay should be based on the content of the job.

The second two principles deal with adjustments in the pastor's pay. These principles state that adjustments should include a cost-of-living component and pay for performance. Listed below are four quotes from the "Compensation Handbook" that express these two principles:

...adjustments [to Compensation] involve two levels. The first level is annual cost-of-living adjustments. Pastors, like other employees, should have annual cost-of-living adjustments reflecting the increased costs in the North Central Region of the country. The designation of North Central Region was changed by the Labor Department in 1998 to the Midwest Region.

The second level is meritorious adjustments that 'raise' compensation above the cost-of-living adjustment. These adjustments are given for work well done...they are raises obviously related to an objective assessment of a pastor's work.

Salary changes should be based on an annual performance review done in the context of the Session's Leadership Review.

Increases related to good performance provide opportunity for financial recognition to employees over their career.

The "Compensation Handbook" makes it clear that the cost-of-living adjustments are meant to be separate from any adjustments that result from the annual leadership reviews, sometimes referred to as annual performance reviews.

These are the principles upon which the Pastor Compensation Policy is based.

Pastor Compensation Policy

The Pastor Compensation Policy consists of a number of elements. This manual reviews each of them. They include the criteria for measuring the size of the pastoral job, the salary structure, the definition of salary, the two components of a salary adjustment, and who is covered by the policy.

Compensation Structure

The policy is based on a Compensation Structure consisting of eight levels, each with a Compensation Range. Each pastoral position in the Presbytery is assigned to a level according to the degree of responsibility of the position.

Identifying the Level of the Job Content

The criteria for measuring the size of the pastoral job is Average Attendance. Average Attendance is defined as the average number of adults and children attending worship services per week during the calendar year including the choir. It is a number that each church maintains, and is a simple and accurate reflection of the complexity and degree of difficulty of the job, including responsibility for the spiritual guidance of the congregation, relations with the larger community, and responsibility for money and other church assets, plus

the degree of skills, experience and knowledge required for planning, organizing, budgeting, communicating, directing and supervising staff, developing and implementing programs, and motivating others, among other responsibilities. It also encompasses one of the church's major goals, increasing attendance. Increased attendance is a reflection of participation in the life and work of the church.

Eight levels of job responsibility have been identified for the churches of the Presbytery, according to the Average Attendance of each. Analysis indicates that there is a reasonable increase in responsibility each time the Average Attendance is increased by approximately 50% from the preceding level. The chart below has been constructed on this principle. For simplicity the Average Attendance numbers have been rounded to the nearest 5 attendees. The levels by Average Attendance are as follows:

Level	1	2	3	4	5	6	7	8
Average Attendance	0-60	61-90	91-135	136-200	201-300	301-450	451-675	676-1010

Definition of Compensation

The word Compensation as used in this Policy is defined to include:

- Annual cash salary,
- Housing allowance for those pastors who do not have free use of a manse,
- Deferred compensation,
- Bonuses, unvouchered allowances, gifts from the employer,
- Other allowances to include medical deductibles, the entire amount of SECA (Self Employed Contribution Act) and Medicare allowance paid to the pastor by the church, etc., and;
- When a manse is provided by the church to the pastor, the Fair Rental Value of the manse as approved by the session and/or the congregation in consultation with the Committee on Ministry, and any utility and furnishing allowance provided by the church.

Compensation does not include:

- Continuing education,
- Auto expense when (a) vouchered at an amount not in excess of the IRS mileage rate, or (b) when related to a church-owned car with full expenses,
- Business and professional expenses,
- Group plan for medical deductible, coinsurance and dental premiums,
- Other vouchered allowances,
- Board of Pensions premiums for pension, medical, life and disability benefits.

Compensation Ranges

Each level in the structure has a Compensation Range. Each range has a midpoint, a minimum and a maximum. The midpoint of each range is approximately 11.2% higher than the midpoint of the preceding range. Each range is fairly wide to accommodate a wide variation of performance levels. The minimum is 80% of the midpoint and the maximum is 120% of the midpoint. The total range is 50% wide from the bottom to the top. The ranges overlap considerably so an exceptional performance in a smaller church can result in as high, or higher, a pay level as average performance in a larger church.

Compensation in Relation to the Ranges

The midpoint of each range is defined as the level of Compensation that is appropriate for a pastor who is performing the job in a completely satisfactory manner. It can also be viewed as the level of pay that is appropriate for a pastor who meets expectations of performance. From a practical stand point, each church will define the term, “completely satisfactory” or “meets expectations” for itself. It does not mean that a pastor must satisfy all of the members in the congregation all of the time. That would be a nearly impossible task. The terms are most easily defined in churches that have expectations, or goals for performance, that have been discussed and agreed upon between the pastor and the session.

The area between the minimum and the maximum is the range within which a pastor would normally be paid. Payment for a pastor should not be below the minimum, except in unusual circumstances. Cases where a congregation is paying, or intends to pay, a pastor below the minimum are to be discussed with the Committee on Ministry so if exceptions are warranted, they can be made. The Pastor Compensation Policy is not intended to prevent a church from paying a pastor above the top of the range. There may be cases where a congregation wishes to do that.

In most cases the area between the minimum and midpoint would be used for pastors who have been recently called and are progressing in performance to doing the job in a completely satisfactory manner. For example, a pastor could be called at, or just above, the minimum and progress to the midpoint over a period of time; probably not more than 5 years, unless there is a performance issue.

Payment between the midpoint and the maximum is for performance above satisfactory, or for pastors who exceed expectations.

Cost-of-Living Adjustment

The Presbytery will normally recommend that pastors receive an annual adjustment to keep them even with the cost-of-living and will provide the appropriate percentage. It is important to remember that if a church does not provide a pastor a cost-of-living increase in years when living costs go up, that pastor's buying power will be reduced.

Each year the Presbytery normally consults compensation surveys to determine changes in compensation made by other churches in the North Central Region and adjusts the Presbyter's Compensation Ranges effective each January accordingly. The resulting change in the Ranges may be different than the Cost-of-Living adjustment. Therefore it can't be assumed that giving a pastor the cost-of-living increase will keep him or her in the same relative position within the Compensation Range. For example, if a pastor's performance is meeting expectations and is being paid at the midpoint of the Range in the current year, he or she must receive an adjustment that is equal to the increase in the Compensation Range in January of the next year in order to keep him or her paid at the midpoint of the revised Range.

Performance Increases

The Pastor Compensation Policy also focuses on performance. Presbytery policy calls for performance reviews to be conducted annually with each pastor. That review is an opportunity for the session, and/or its appointed committee, to discuss the performance of the pastor(s) in its church. This can best be accomplished with each pastor if performance is measured in relation to previously agreed upon expectations and/or goals.

Performance should be reflected in the pay increase given to the pastor. If the pastor is being paid at the level in the salary range that fully reflects his or her performance, then only a cost-of-living adjustment would be indicated. However, if the pastor's position in the range is below his or her level of performance then an increase percentage above the cost-of-living percentage should be given. If the level of pay is higher in the range than would be indicated by the performance then the cost-of-living adjustment percentage could be reduced or eliminated. This would not reduce the pastor's Compensation, but would lower it in relation to the range as it is revised each January. The effect would be to more nearly equate the level of pay within the range to the level of performance. Regardless of what level of increase is provided there should be a verbal and written review of performance with all pastors within each church accompanied by a discussion of the adjustment to be given.

Application of the Policy

The Policy should be applied to pastors as follows:

- *Heads-of-Staff and Churches with a Single Pastor:* The Average Attendance should be used to determine the appropriate Compensation Level for the pastor.
- *Yoked Churches:* In the case of a pastor responsible for more than one church, the Average Attendance of all the churches he or she services should be added together and the resulting number used to determine the appropriate range within the structure.

- *Co-Pastors:* In cases where two or more pastors are serving a church as co-pastors, the Average Attendance should be used to determine the appropriate level for each co-pastor. In such cases each co-pastor may be full-time or part-time, depending on the number of hours required to fulfill the requirements of the position.
- *Associate Pastors:* Associate pastors have a number of varied responsibilities within our presbytery. The relationship between the size of the associate pastors' job and the size of the head-of-staff job is not necessarily the same from one church to the next. Each church with associate pastors should analyze the job performed by its associate pastor(s) in relationship to the level of its head-of-staff and assign an appropriate Compensation Level accordingly. That level should not be below Compensation Level 2, however.
- *Interim Pastors:* The average attendance of the church to be served should be used to determine the applicable Compensation Level for an interim pastor, and salary adjustments after the first year should be based on changes in the Compensation Level, normally made effective each January 1, and performance, if not otherwise stipulated in the interim contract. The beginning salary will probably be the result of negotiation between the church and the prospective applicant. It is anticipated that applicants for interim positions will be experienced and qualified pastors. It is also anticipated that in the foreseeable future there will be more positions available than applicants to fill them. Based on these two assumptions, it would be reasonable for the starting effective salary to be at or near the midpoint of the applicable Compensation Level. The initial effective salary may vary from the midpoint, however, depending on how well qualified the applicant actually is to function as an interim pastor in the particular church, and the current availability of qualified candidates. The ability of the church to pay must be strongly considered in making any offer during negotiations.
- *Part-Time Positions:* Some pastoral positions have been classified as being part-time. In such cases the level of the position should be determined as if it were a full time position and the salary adjusted for the actual percentage of time the pastor is expected to work.

Part-Time Defined

There have been cases where the percentage of part time work would seem unrealistic. For example a 90% call probably ends up with the pastor working full-time for 90% pay. Normally, part-time calls should be for only one of the following percentages of a full-time call based on a 6-day week:

Percent of Full-Time Call	25%	33%	50%	66.7%	75%
Number of Days	1 1/2	2	3	4	4 1/2

Presbytery's Committee on Ministry should be consulted in cases where some other percentage of a full-time call would be preferred.

A Parting Word

The success of each local church depends on the quality, dynamics, and focus of the partnership of lay volunteers and pastors. Adequate and equitable compensation is essential to attracting and retaining competent, dedicated individuals to assure the quality of the professional members of the team. Properly utilized, the Pastor Compensation Policy can substantially increase each church's ability to attract and retain the right pastor(s) for the team.

A clear set of agreed upon expectations for performance for all members of the team is essential to pointing the direction for the church and meeting its objectives. The General Presbyter and Presbytery's Committee on Ministry stand ready to work with individual churches to implement and administer the Pastor Compensation Policy; to aid in the process of developing clear expectations for all members of the partnership, along with the church as a whole; and the process of conducting the Annual Leadership Review.

PASTOR COMPENSATION STRUCTURE

Effective January 1, 2015

Level	Average Attendance	2015 Structure		
		Min	Mid	Max
1	0-60	\$43,936	\$54,920	\$65,905
2	61-90	\$49,821	\$62,276	\$74,731
3	91-135	\$55,389	\$69,237	\$83,084
4	136-200	\$61,575	\$76,969	\$92,363
5	201-300	\$68,452	\$85,565	\$102,678
6	301-450	\$76,098	\$95,122	\$114,147
7	451-675	\$84,598	\$105,748	\$126,897
8	676-1010	\$94,049	\$117,562	\$141,074

PASTOR BENEFITS POLICY FOR PRESBYTERY OF EAST IOWA

Benefits constitute a large percentage of the total remuneration of a pastor and are, therefore, vitally important in the relationship between a pastor and the congregation. This section presents the Pastor Benefits Policy of East Iowa Presbytery.

The policy of the presbytery is that pastors with a full-time call shall receive benefits equal to, or greater than, the levels listed below. The value of the benefits will be prorated for pastors with a part-time call, unless otherwise specified. The elapsed time off for vacation, study leave, maternity leave and paternity leave is as stated below and is the same regardless of whether the pastor is full-time or part-time.

- Pastors with a call or contract of 20 hours per week or more shall receive benefits as a member in “The Benefit Plan of the Presbyterian Church (U.S.A.)” (35% of Effective Salary for the year 2014). Pastors with a call or contract of less than 20 hours per week may negotiate participation in “The Benefit Plan of the Presbyterian Church (U.S.A.)” with the church.
- Four weeks vacation. It is the policy of the Presbytery of East Iowa that the number of vacation days in a week is equal to number of days in the pastor’s work week. For example, if the pastor normally has one day off during the week, then the number of vacation days equals six per week. If the pastor normally has two days off each week, then the number of vacation days equals five per week. In either case, no more than four Sundays are to be taken as vacation during the year.
- Two weeks study leave.
- Six weeks maternity or paternity leave.
- Mileage driven by the pastor, using his or her own automobile and related to the ministry of the church, will be reimbursed at the IRS allowable rate in effect at the time the mileage is driven.
- Reimburse Continuing Education at a minimum amount of \$1,000 for pastors with a percentage of full-time service in their call or contract of between 50% and 100%. This minimum may be prorated in relation to the percentage of full-time service if the percentage is below 50%.
- Reimburse professional expenses (including books, periodicals, meals, dues, parking and other expenses incurred in carrying out pastoral ministry) at a minimum amount of \$500 for pastors with a percentage of full-time service in their call or contract of between 50% and 100%. This minimum

may be prorated in relation to the percentage of full-time service if the percentage is below 50%.

- If the total remuneration for a pastor includes the free use of a manse, the church is strongly encouraged to pay a minimum of \$1,200 per year, on a monthly basis, into a 403(b) plan for the pastor administered by the Board of Pensions, or some other institution agreeable to the church and the pastor. The purpose of this payment is to provide the pastor with a mechanism for accruing a portion of the value he or she could have accrued in equity through purchasing a home.
- Churches are also strongly encouraged to include the Sabbatical Leave Policy, as presented elsewhere in this manual, in the pastor's terms of call.

COMPENSATION AND BENEFITS POLICY FOR COMMISSIONED RULING ELDER AND RULING ELDER AND CANDIDATES SERVING AS TEMPORARY SUPPLY PASTORS FOR PRESBYTERY OF EAST IOWA

Adopted Effective 1 January 2004
Revised each 1 January from 2005 through 2015

Introduction

This section of the Manual covers compensation and benefits for Commissioned Ruling Elders and Ruling Elders and Candidates who serve as Temporary Supply Pastors.

The Presbytery of East Iowa implemented a Commissioned Ruling Elders (CRE) training program in 2002 to prepare Ruling Elders for pastoral responsibilities when such is necessary. The first candidate was graduated in 2003 and was immediately commissioned for service in a church within the presbytery. This section of the manual presents the presbytery compensation and benefits policies for Commissioned Ruling Elders.

In addition to CREs, this section also relates to Ruling Elders and Candidates serving as Temporary Supply Pastors (herein after referred to as "Ruling Elders Serving as Temporary Supply"). Teaching Elders serving in this position are covered in the sections titled *Pastor Compensation* and *Pastor Benefits*.

Compensation Policy for Commissioned Ruling Elders and Ruling Elders Serving as Temporary Supply

The policies published in the section of this manual titled *Pastor Compensation Policy*, apply to CREs and Ruling Elders Serving as Temporary Supply, except that the compensation structure applicable to CREs and Ruling Elders Serving as Temporary Supply is 70% of the compensation structure applicable to Teaching Elders. This recognizes that Commissioned Ruling Elders are only commissioned for 3-year periods and Ruling Elders are contracted as Temporary Supply for only one year at a time, their educational experience is less extensive and more practically centered than that of a "career pastor," and the vast majority of positions for Commissioned Ruling Elders and Ruling Elders Serving as Temporary Supply are part-time. The focus is upon equitable compensation for the ministry provided. The "Compensation Structure for Commissioned Ruling Elders and Ruling Elders as Temporary Supply" is presented at the end of this section.

The elements of the Compensation Policy for Commissioned Ruling Elders and Ruling Elders Serving as Temporary Supply follow:

- Compensation of a Commissioned Ruling Elder and a Ruling Elder Serving as Temporary Supply is based on the average attendance of the church he or she is to serve, as defined by the Levels in the Compensation Structure in the *Pastor Compensation Policy*.
- Each Commissioned Ruling Elder and Ruling Elder Serving as Temporary Supply is compensated at a “full time equivalent rate” within the range applicable to the church to be served, and equal to 70% of the range applicable for that church for a Teaching Elder. The actual compensation paid is then adjusted by the percentage of full time service to be provided by the CRE or Ruling Elder Serving as Temporary Supply.
- It is anticipated that a manse or housing allowance will not normally be a part of the compensation of a Commissioned Ruling Elder or a Ruling Elder Serving as Temporary Supply. These elements of compensation may be negotiated between the church and the CRE or Ruling Elder Serving as Temporary Supply, but in so doing, the policies applicable to a Teaching Elder will be applicable to a CRE and a Ruling Elder Serving as Temporary Supply.
- Other features of the *Pastor Compensation Policy*, such as annual adjustments in compensation commensurate with the change in the cost-of-living and performance, are applicable to Commissioned Ruling Elders and Ruling Elders serving as Temporary Supply.

Benefits Policy for Commissioned Ruling Elders and Ruling Elders Serving as Temporary Supply

The elements of the benefits policy for Commissioned Ruling Elders and Ruling Elders Serving as Temporary Supply follow:

- Four weeks vacation. It is the policy of the Committee on Ministry that the number of vacation days in a week is equal to number of days in the pastor’s work week. For example, if the pastor normally has one day off during the week, then the number of vacation days equals six per week. If the pastor normally has two days off each week, then the number of vacation days equals five per week. In either case, no more than four Sundays are to be taken as vacation during the year.
- Two weeks study leave.
- Six weeks maternity or paternity leave.
- Mileage driven by the CRE or Ruling Elder Serving as Temporary Supply, using his or her own automobile and related to the ministry of the church, will be reimbursed at the IRS allowable rate in effect at the time the mileage is driven.

- Professional expense and continuing education reimbursements for a CRE or Ruling Elder Serving as Temporary Supply are governed under the same policy and will be at the same minimum amounts allowed under the Pastor Benefits Policy for Teaching Elders found in the preceding section of this manual.
- It is anticipated that most Commissioned Ruling Elders and Ruling Elders serving as Temporary Supply will be eligible for retirement and medical plans through their spouses and/or their own secular employers. These elements of a benefit plan are, therefore, not mandated for CREs in this policy. There may be cases, however, where there is a need for such benefits, in which case they may be negotiated between the church and the Commissioned Ruling Elder or Ruling Elder Serving as Temporary Supply.
- Any additional compensation and/or benefits, such as for SECA and Medicare reimbursement or deferred compensation, will be negotiated on a case-by-case basis, using the same guidelines as have been approved for Teaching Elders.

Leadership Reviews

The elements of the Leadership Review Guidelines, found in the following section of this manual, apply to Commissioned Ruling Elders and Ruling Elders Serving as Temporary Supply just as they do to pastors.

COMPENSATION STRUCTURE FOR COMMISSIONED RULING ELDERS AND RULING ELDERS SERVING AS TEMPORARY SUPPLY

Effective January 1, 2015

Level	Average Attendance	2015 Structure		
		Min	Mid	Max
1	0-60	\$30,755	\$38,444	\$46,133
2	61-90	\$34,874	\$43,593	\$52,312
3	91-135	\$38,772	\$48,466	\$58,159
4	136-200	\$43,103	\$53,878	\$64,654
5	201-300	\$47,916	\$59,896	\$71,875
6	301-450	\$53,268	\$66,585	\$79,903
7	451-675	\$59,218	\$74,023	\$88,828
8	676-1010	\$65,834	\$82,293	\$98,752

Sabbatical Leave Policy for East Iowa Presbytery and Congregations within Its Bounds

Adopted Effective 9 October 2009

Revised 1 January 2013

Rationale for Sabbatical Leave

Sabbatical Leave is an extension of the Biblical concept of a Sabbath day and a Sabbath year for renewal and education. It is both an act of faith that God will sustain us through a period of reflection and changed activity and an occasion for recovery and renewal of vital energies.

In this context, Sabbatical Leave for Teaching Elders (ministers) is a planned time of intensive enhancement for ministry and mission. Sabbatical Leave follows precedents in the academic community and among a growing number of private sector groups. This "extended time" is qualitatively different from "vacation" or "days off" in that it provides an opportunity for the individual to strategically disengage from regular and normal tasks so that ministry and mission may be viewed from a new perspective because of a planned time of specific focus and opportunity for learning.

Definitions

In this document the phrase "Teaching Elder" and the word "pastor" and the word "minister" are meant to include full-time Teaching Elders who serve as pastors and associate pastors to a church, and other Teaching Elders who are serving in full-time positions of validated ministry. The word "Session" is meant to include governing bodies in churches that are called by other names such as "parish council" or "parish board." The word "Session" is also meant to include other governing bodies and judicatories that have the same relationship to a person serving in other validated ministries as a session has to a pastor.

Presbytery Policy

The Presbytery of East Iowa affirms as its own practice and recommends to the sessions of churches within its bounds that all full-time Teaching Elders who have served in their present positions for six (6) continuous years receive a compensated Sabbatical Leave. The recommended length of the Sabbatical Leave is at least four (4) weeks and normally not to exceed twelve (12) weeks. It is recommended that this Sabbatical Leave be built into the Call Process for both pastors currently serving churches in the presbytery as well as new pastors coming into the presbytery. This can be accomplished by stating in the call or contract that the session will grant the minister a sabbatical leave in accordance with the provision of the presbytery policy on sabbaticals titled, "Sabbatical Leave Policy for East Iowa Presbytery and Congregations within its Bounds." Upon completion of the Sabbatical Leave, the incumbent minister would normally

continue serving the same congregation for a period of at least one year following the completion of the Sabbatical Leave plus accrued vacation time. Specific approval must be given by the session and COM if the individual does not wish to abide by this requirement. In addition, congregations may limit Sabbatical Leave to one staff person per year, in multiple staff situations. Additional time may be negotiated by combining the sabbatical period with accrued study leave and/or unused vacation. There may be situations where it would be appropriate to grant a Sabbatical Leave to a minister who has less than (6) years of continuous service.

Sessions may wish to extend the provisions of this policy to other full time professionals who are required to have special education and skills for their positions in the church, such as Commissioned Ruling Elders, Certified Christian Educators and Directors of Music.

Policy Rationale

A sabbatical will enable the minister to be renewed through the vital pursuit of continuing education, extended time spent in spiritual formation, and fresh mentoring by respected teachers. A sabbatical enables a minister to return to the responsibilities of the parish with new energy, spiritual vision and effectiveness.

Planning for Sabbatical Leave

Eligibility and Approval Process

To be eligible for a Sabbatical Leave, the minister shall present, in writing, to the church session for their approval, a program (the "Proposal") of activity for the Sabbatical Leave and the Sabbatical timetable at least six (6) months prior to the proposed beginning of the Sabbatical Leave. This program of activity and meditation shall include a detailed description of the Proposal, the goals to be achieved and the expected end-product(s), together with a personal statement as to why this Sabbatical Leave would be valuable for both the minister and the church. The Proposal should also contain a statement that the Sabbatical will be taken in accordance with the provisions of this policy titled, "Sabbatical Leave Policy for East Iowa Presbytery and Congregations within Its Bounds."

Prior to final approval by the Session, the Proposal and timetable shall be forwarded to the Committee on Ministry for review and recommendation. Included in this Proposal will be the church's plan for ministerial services during the period of the Sabbatical Leave.

At the completion of the Sabbatical Leave, the minister should present to the next regular meeting of the church Session, a written report of activities and findings. A copy of this report also will be sent to the Committee on Ministry immediately following the Session meeting when it is presented.

Funding

The employing church will continue the minister's salaries, pension, major medical, disability and death benefits, book allowance, vacation and, at the direction of the

Session, auto and continuing education allowances at the same level as those in effect at the time of the Sabbatical Leave.

The employing church will also contract for substitute ministerial services during the period of the Sabbatical Leave. Although, on the face of it, the Sabbatical Leave may seem like yet another financial burden for the local congregation to bear, it is crucial for Sessions and congregations to recognize the long-term benefits they as a church will reap from granting Sabbaticals. For example, ministers who have the opportunity to examine issues of professional growth and development as ministers within an existing position are more likely to stay more years in a particular call. The sabbatical provision conveys a sense of support and caring on the part of the calling church. It also offers an incentive to ministers to commit to and think in terms of longer years of service in a particular church.

Clergy, and sessions, are encouraged to set aside funds each year so that resources will be available during the time of Sabbatical Leave. In this regard pastors and sessions may wish to consider providing in the terms of call or contract that pastors may accumulate Continuing Education money over more than one year to help defer expenses of a Sabbatical. Those churches that would have financial problems in providing for the Sabbatical Leave may consult with the Presbytery. In addition, those churches that cannot secure Ruling Elder leadership within their own congregations might consider using Ruling Elders who have graduated from the commission lay pastor curriculum or Teaching Elders serving as Associate Pastors who might be willing to preach one Sunday without honorarium, etc.

NOTE: The Louisville Institute, a Lilly Endowment Program housed at Louisville Seminary, provides study grants for ministerial leaders. Also, the Board of Pensions has a financial aid program for pastors titled "The Assistance Program – Sabbath Sabbatical Support Grant" available for those who qualify. Information on the program is on the Board of Pensions Web site, www.pensions.org.

Return to Regular Service

Upon return to regular service, it is strongly suggested that the minister share with the entire congregation or other appropriate parties the details of the leave as well as reflections on its value and benefit. The return process provides a great opportunity to reflect upon the benefits that resulted from the Sabbatical Leave.

Expected benefits may include:

- Discovering the strength of lay leadership heretofore under-utilized.
- Discerning new understandings of the concepts of mission between clergy and congregation.
- Reaffirming the call to ministry on part of minister and congregation with both being reinvigorated and rededicated to the work of God's people.

The ideal result would be for the congregation to see this period of time not just as the individual's Sabbatical Leave but also as the congregation's Sabbath Leave.

Summary of Responsibilities

Committee on Ministry Responsibilities

1. Review the Sabbatical timetable and Proposal as submitted by the minister and provide appropriate feedback to the Session and minister.
2. Serve as mediator in any concerns of session, or minister relative to the Sabbatical.
3. Determine who will moderate the Session in the minister's absence.
4. Assist with identifying pastoral and pulpit coverage.

Minister Responsibilities

1. Present the Sabbatical Proposal to the Session in the detail specified under the above section titled, "Eligibility and Approval Process" a minimum of six months before the intended commencement of the sabbatical. There may be circumstances when a shorter period would be permissible. However, there should always be sufficient time for full consideration of the proposal.
2. Secure the approval of the Session for the Sabbatical Proposal and work out the necessary coverage of ministerial and pulpit responsibilities.
3. Assure the Session of continued service to the church for at least one full year from the conclusion of the Sabbatical.
4. Bring up to date all pending responsibilities as determined in consultation with the Session before departing on a Sabbatical.
5. Submit to Committee on Ministry in writing the Sabbatical Proposal and timetable.
6. Upon return, present a written and verbal report on the results of the Sabbatical Leave in relation to knowledge acquired, agreed upon goals and renewal to the Session and a written report to the Committee on Ministry. This should be accomplished within the first month after return.

Session Responsibilities

1. Receive for approval the minister's Proposal for a Sabbatical, at least six (6) months in advance of the intended commencement of the Sabbatical. Any action on the Proposal should refer specifically to the Proposal and recorded in the Session minutes. The resolution should also state that the Sabbatical will be taken in accordance with the provisions of this policy titled, "Sabbatical Leave Policy for East Iowa Presbytery and Congregations within Its Bounds." There may be circumstances when a shorter period

would be permissible. However, there should always be sufficient time for full consideration of the Proposal.

2. Continue terms of call commitments to the minister-during Sabbatical Leave.
3. Communicate to the congregation the importance and values to the church of a Sabbatical.
4. Request a written overview of the Sabbatical from the minister upon return.

Additional Responsibilities/Information

If agreed upon by Session and the minister, the Sabbatical might be combined with study leave for extended graduate study.

Performance Reviews for Pastors and Sessions

First Effective 24 January 2012

The Committee on Ministry (COM) advocates that sessions critically review the performance of the pastor and the session as separate entities as well as their work done together as a team. COM is asked to provide guidance to accomplish these appraisals and has presented several alternative methods below. Churches do not all function in the same way, so an appraisal system that works well for one may not be as effective for another.

The models presented below range in detail and complexity but in all cases they should be accompanied by a face to face meeting between the appraiser and the pastor, session or committees being appraised. This meeting should be used to further clarify each element of the written appraisal and to encourage discussion among all parties. Also in each case the person being appraised may be asked to complete a written self-appraisal to be considered along with the appraisal models presented below. Each of the models would work best with a form customized to the particular church. A form is attached and explained in the last bullet that may work well for many churches.

- Some churches have developed goals or expectations agreed upon between the session and the pastors. Some include just goals for the pastor and others include goals for the session and/or goals that are shared by the pastor and the session. This method can be very effective for accomplishing the ministry and mission of the church and for setting and communicating what is expected of the session and the pastor. In these cases the appraisal can be a recitation of each goal agreed to and set at the beginning of the year with well defined expectations for measurable results along with the actual results obtained. The major advantages of this approach are that it provides the pastor and session a basis for discussing and defining the priority needs of the church. After goals have been agreed upon, it provides a clear understanding of what is expected during the year along with a basis for appraising performance against the actual outcomes. This review can also be used as the basis for putting lagging goals back on track and setting new goals for the following year. This method may not eliminate the risk of it containing subjective and unsubstantiated comments but it does reduce that risk. The *Pastor Compensation Manual* contains a section titled "Leadership Review Guidelines" which provides directions for utilizing this method. The Manual can be found on the presbytery web site, www.PEIA.org under the Committee on Ministry tab.
- A very effective performance appraisal can be a blank sheet of paper upon which the appraiser tells the reader his or her opinion of the performance of the subject. This can be used whether the review is based on goals or more subjective criteria or a combination of both. This allows the appraiser to make a review of what he or she feels is important and eliminate comments on areas that seem less important. This approach also carries

the risk that the review may become subjective and contain comments that are not substantiated. This risk is present in many appraisal models. However, most church volunteers would appreciate a somewhat more structured approach that gives guidance on what should be appraised and how to measure results; an approach that is not overly long and is reasonably simple and intuitive to use.

- Another approach is to appraise the pastor's performance against each element of the pastor job description and of the session against the description(s) of the responsibilities of the session and its committees. This assumes there are up-to-date descriptions for the pastor, session and committees, that the pastor and the session agree on the contents of the descriptions, and that they are written in such a way as to make each element clearly defined. In this case the appraisal would consist of reciting each element of the descriptions and then writing a narrative for each. This could be accompanied by checking the appropriate entry on a form stating whether the performance on each element "exceeded expectations," "met expectations" or was "below expectations." The advantage of this approach is that the elements to be appraised are already defined. The disadvantage is that many job and committee descriptions are too general and ambiguous to serve as a realistic basis for measuring performance.
- A similar approach that is more commonly used is to develop statements that, as a group, summarize the various elements of the jobs of the pastor, the session and its committees, and rank the performance on each element with a numbering system, such as rating the performance 1 through 5, or "exceeds expectations," "meets expectations," or is "below expectations." In this model the job descriptions for the pastor, session and committees can be used as the basis for each element of the job used in the appraisal form.
- A pastor is responsible for many elements in the church but they don't all carry the same degree of importance. Another more detailed approach is to define those elements and then place them in three or four categories of priority. The performance of the pastor can then be appraised for each element but the performance on the top level priority would count more than the performance in lower level priorities. A point system can be developed based on the performance ranking on each element and its priority. This would lead to a more detailed and sophisticated appraisal, but it is too complex for most churches and the chances of it being used year after year by different volunteers is doubtful.
- Another approach is to develop a group of questions dealing with the general duties and characteristics of the pastor and/or session and its committees. Each question would be followed by a place for comments that respond to the question. This model can be very subjective and may

not be as productive as some others in defining both the positive and negative aspects of performance.

- The approach that might have the best chance of actually being used is one that is simple. Such a model is attached. It allows the appraiser to state the agreed upon goals and appraise the performance of the pastor in achieving the results of each one. It also has a number of questions that go beyond goal setting and includes three levels of grading plus a comments section. The advantage of this model is that it makes clear that the setting of goals is expected and that there are elements in a pastor's performance that go beyond achieving goals. It also gives churches that don't set goals several questions upon which to base an appraisal of performance.

NAME OF CHURCH

Annual Pastor Review

Date _____

Name of Pastor: _____

Name of person of committee doing the review:

Prepared by (if done by committee):

I Performance on Goals or Expectations

List or attached goals or expectations that were agree upon at the beginning of, or during, the current year between the pastor and session. If necessary, use a separate sheet to list the goals, or attach the goals that were documented earlier in the year.

Then summarize accomplishment, or progress toward accomplishment, of each goal and give an overall ranking of: (1) Exceeded Expectations, (2) Met Expectations or (3) Below Expectations along with comments to clarify the ranking.

II Additional Performance Factors

- (1) Describe any strengths and/or skills of the pastor

- (2) Describe any accomplishments you feel should be noted that have not already been covered in the goals or expectations above.

- (3) Describe any areas for improvements that should be communicated for the pastor’s consideration.

- (4) Describe any significant areas of mission and/or ministry that the pastor, in conjunction with the session, should focus on in the coming year.

- (5) Describe how the session and its committees can partner with the pastor to carry out the vision/mission/ministries of our church.

- (6) Describe any other problems or issues you feel require specific attention.

- (7) Add any other comments you may wish to communicate to the pastor.

LEADERSHIP REVIEW GUIDELINES FOR PRESBYTERY OF EAST IOWA

First Effective 1 September 1999

Revised 1 January 2003

Revised 1 January 2004

Introduction

The process of appraising the performance of an individual or a group has been called by several titles over time. The “Compensation Policy Guidelines,” published by the General Assembly, and the “Presbytery of East Iowa Compensation Handbook” refer to this process as a “Leadership Review.” Both documents call for Presbyterian churches to conduct a Leadership Review annually.

The term pastor(s) as used in this section, *Leadership Review Guidelines*, is meant to include Commissioned Ruling Elders (CREs).

The Review can be most objective and useful if it is based on specific expectations set at the beginning of each year for the pastor(s) and the session, including its committees and individual Ruling Elders. Different methods may be used to develop expectations, but regardless of the process used, expectations should be expressed as a concise and clearly stated set of understandings as to what must be accomplished by the session, its committees and members, and by the pastor(s) in the coming year. The level of structure and degree of formality used to express expectations may differ somewhat from church to church. A smaller church may do much of the governance of the church by its session meeting as a committee-of-the-whole. Many of these churches may wish to express expectations as a less structured statement of intention or as a statement of understanding. The statement would describe what must be accomplished in the various phases of the life of the church during the year ahead and what individuals or groups will be responsible for each part of the action required. Other churches, particularly larger ones that utilize committees to a great extent, are better served by expressing expectations in the form of specific goals, objectives, strategies and action steps. Many churches will wish to use a combination of both methods depending on which level of formality and structure will serve them best in setting expectations in each specific situation. The Review should be used for several important purposes:

- To facilitate open, objective, candid and clear communication among members of the session and the staff;
- To objectively and constructively assess the performance of the pastor(s) and of the session, including its committees and Ruling Elders, during the preceding year; to affirm work well done and to build for the future by identifying deficient areas, such as unmet expectations, and developing strategies to address them;

- As a planning tool to set expectations, as expressed above, for all concerned, and;
- As a basis for adjusting the pastor(s) Compensation.

Setting Expectations

Objectively evaluating performance can be accomplished most easily and effectively when based on previously set and agreed upon expectations, including goals and objectives plus the action steps developed to achieve them.

Expectations can be expressed without having a published vision statement for the church. However, it is far easier to develop and gain agreement on expectations if they are in direct support of a written vision that is shared and supported by the staff and the congregation. A vision is a statement of what the congregation wants its church to do and to be in the future. It expresses the congregation's firm intentions for its church's future. The object is to be moving from the church's current status toward achieving its future vision. The vision establishes direction and priorities, and supplies the basis for developing expectations to turn the vision into reality.

The vision for a church can be developed by the session in conjunction with its committees and the pastor(s). The Committee on Ministry can provide valuable assistance to the church as it proceeds through this process if requested to do so. After the vision has been developed, it should be communicated to the congregation. The objective is that the statement becomes a vision that is jointly shared and supported by the congregation, session and staff.

The work of the church is a team effort among the members of session, other lay leaders and staff. Expectations should be set by the session as a whole, by committees of the church, by individual Ruling Elders as appropriate and staff members to state what each individual and group will accomplish during the coming year to help the church in its ministry and to successfully pursue its vision. These expectations should be communicated among committees and individuals who have similar functions or responsibilities so they can become shared goals if appropriate. Effective communication, cooperation and coordination are essential to ensure that the church is not only doing things right, but doing the right things. Expectations should be based on an assessment of what needs to be accomplished to meet the church's current ministry and move toward the shared vision for its future.

Expectations, whether in the form of goals and objectives or in a less structured format, should be written, clearly stated, attainable, and make a significant contribution to the church. Where possible they should state the result expected rather than a task to be performed. In some cases the result expected can be illusive. In these cases an expectation may be stated in terms of tasks. Where possible, an expectation should also include a measurement of successful attainment in terms of quality, quantity, cost and time.

All expectations, with any goals, objectives and action steps that may be included, should be reviewed and approved by the session and communicated to the congregation.

Conducting the Leadership Review

The session's Personnel Committee should coordinate the Leadership Reviews. In churches that don't have a Personnel Committee, the session may wish to appoint an ad hoc committee to perform the coordination function. The session and the pastor should be involved in the planning stage. The Committee on Ministry may be invited to act as a facilitator or an outside resource. Individual job descriptions, committee descriptions, and the previous year's expectations should be reviewed. It may be helpful to have a ranking of the duties and expectations of the person or group being reviewed in order of priority.

Annual Reviews should be carefully planned so as "to further the peace, unity, and purity of the church" [(G-14.0405 b (7))]. Reviews should include two closely related parts: pastoral leadership and session leadership.

Leadership Review of the Session

The session is "responsible for the mission and government of the particular church" (G-10.0102). Since a pastor(s) exercises his/her Ministry of Word and Sacrament in partnership with the session, it is important to annually review the session's performance as a parallel process to the pastoral Leadership Review. Usually it will be most helpful to complete the session Leadership Review prior to the Leadership Review for the pastor(s).

At the beginning of the program year, the session and the staff, working together, should make a complete assessment of the church's needs in all major areas of church life and develop written expectations, including goals, objectives and actions steps as described earlier.

One purpose of doing this work at the beginning of the program year is to describe the specific roles and tasks for all staff and for all session members and committees. This provides the framework at the end of the year for assessing how well all have worked together during the year.

In preparing for the session Leadership Review, it may be useful to have each committee and individual Ruling Elder, who has set expectations and/or goals, to write an assessment of progress made during the preceding year on those expectations, including accomplishments, expectations achieved, expectations not achieved or only partially achieved along with an explanation, and an overall assessment of performance.

It may also be helpful for the session to send questionnaires to selected church members who are not on session several weeks before the session Leadership Review meeting. The questionnaires would ask their opinion of the performance of the session, its committees and members. The Committee on Ministry can provide

one or more sample questionnaires for this purpose if requested to do so. Each of these persons should also be given a copy of the expectations for the year including any goals and actions steps that may have been set, a list of session committees, and a list of activities that the session members were to perform. The persons responding should be knowledgeable in one or more areas of the congregation's life. In cases where ecumenical neighbors or community groups have been involved with the church on a project or to accomplish a goal, leaders from those groups may be included in the survey. Also, members of the presbytery may be asked for their assessment.

At the review meeting, each session member should be provided with a list of the expectations, along with any goals and action steps that have been set, for the session as a whole, each of its committees and any session members who have set individual goals. Session members should, also, be provided copies of each committee's self-assessment and evaluation responses from the selected church members and presbytery. A discussion should follow focused on the following issues:

- How well did we meet the expectations stated at the start of the year?
- In what ways have our Ruling Elder contributions helped in achieving our expectations for the year?
- Have we failed to meet certain expectations? If so, why and what corrective action is planned for the coming year?
- How well have we worked as Ruling Elders with each other, and with our pastor(s)?
- Have we encountered unforeseen circumstances? What has been their effect on our ministry?

A summary report should be prepared, approved by the session, and filed with the session's permanent papers to be used as a building block for the pastoral Leadership Review.

Leadership Review of the Pastor(s)

The Leadership Review for the pastor(s) is to:

- Provide a vehicle for open, candid and objective communications between the session and the pastor;
- Assess the performance of the pastor in relation to his or her job description and agreed upon expectations for the year under review;
- Develop specific expectations, including goals and action steps where appropriate, to make improvements for the future, and;

- Form the basis for adjustments to the pastor's Compensation for the coming year. The Compensation adjustment is composed of two important parts:
 - ❖ A cost of living adjustment as published by presbytery to be effective at the beginning of each year, and;
 - ❖ An increase based on performance. This increase should be based on the results of the Leadership Review as more fully described in the "Pastor Compensation Policy elsewhere in this manual"

In preparation for the Leadership Review of the pastor(s), the Personnel Committee, an ad hoc committee appointed by the session, or the session operating as the committee-of-the-whole, may wish to ask each committee chair to prepare a report on the performance of the pastor(s) from the point of view of the committee and as a member of the congregation. In smaller churches, where there are few committees, the session may wish to ask selected members of the congregation who have a familiarity with the operation of the church to evaluate performance of the pastor(s) by completing a questionnaire provided by the session. The Committee on Ministry can supply sample questionnaires for this purpose if requested to do so. A copy of the expectations of the pastor(s) for the year under review and of his or her job description should be provided to those members to use as a basis for their comments. The session may also wish to request an appraisal of performance from presbytery.

The context for reviewing the leadership of a pastor, co-pastor, or associate is the on-going life and ministry of the congregation and its vision for its future. Since the pastoral staff and leaders from the congregation largely share the tasks of ministry, it is important to have certain understandings at the beginning of the program year. Such understandings can be best achieved through establishment of expectations and the goals setting process described earlier.

The "Guideline for a Session Personnel Committee" suggests a pastor - session covenant as the format for setting forth these expectations. Whether or not this specific format is used, it is important to develop an agreement as to what the pastor will accomplish and what the session members will accomplish.

The annual leadership review for pastors should be conducted by the session's Personnel Committee, or an ad hoc committee appointed by the session. Either the Committee or the pastor may invite participation by the presbytery's Committee on Ministry. In some small churches, the review may be conducted by the entire session, meeting as the committee-of-the-whole. In preparation for the meeting, the committee responsible for Review should gather together the following documents:

- Current job description for the pastor(s),
- Session's expectations and goals for the congregation for the year under review,
- The expectations for the pastor(s), including any goals and action steps for the year under review,

- The pastor's written self-assessment of his or her performance,
- Documents gathered from committee chairs and/or selected members of the congregation and the presbytery assessing job performance relative to expectations, goals, action steps and job description.

Once all this information is in hand, the session's Personnel Committee is ready for the Leadership Review meeting. The Committee will want to meet first without the pastor in order to review materials and plan the discussion. A possible outline for the meeting with the pastor follows:

1. The pastor reviews the self-assessment paper with the Committee and comments on items that may need further clarification;
2. The Committee asks questions about any part of the self-assessment that is unclear and comments on performance. Both strengths and weaknesses of performance should be discussed candidly;
3. The Committee reviews with the pastor information provided by other persons and groups who were asked to complete a questionnaire or otherwise provided relevant information;
4. Begin discussions on how to improve performance with expectations, goals and action steps for the coming year;
5. A summary report of the review is prepared by the Committee;
6. The pastor is given an opportunity to review and to comment on the report;
7. The review is then made final and shared with the session;
8. Once the summary report has been prepared, all other review papers should be destroyed;
9. Use the review as a basis for determining an appropriate adjustment to Compensation of the pastor(s) based on performance. (See the "Pastor Compensation Policy" elsewhere in this manual for details.)

When an associate pastor is being reviewed, the head of staff should be a part of the review process. He or she should write an assessment of the associate's performance, share it with the associate and convey it to the Personnel Committee to add to the review paper. Also, the head of staff should be a part of the review meeting.

The Leadership Review and the establishment of well developed expectations each year can be extremely important to a church as it strives to turn its congregation's vision for the future into reality.